United Nations E/CN.18/2005/3/Add.1

Economic and Social Council

Distr.: General
24 February 2005

Original: English

United Nations Forum on Forests
Fifth session
New York, 16-27 May 2005
Item 8 of the provisional agenda*
Multi-stakeholder dialogue

Multi-stakeholder dialogue

Note by the Secretariat

Addendum

Discussion paper contributed by the business and industry major group**

Summary

After a year-long consultation with industry associations around the world, the business and industry major group does not support or oppose any particular future international arrangement on forests. Rather, identification and establishment of basic principles and minimum requirements for sustainable forest management, stronger coordination of forest policies, greater recognition of sustainable forest management and forest products trade, broader recognition of the economic aspects of forests, enforcement and expanded non-governmental and private sector participation in the international arrangement on forests are highlighted as priorities for consideration.

* E/CN.18/2005/1.

** Prepared by the International Council of Forest and Paper Associations.

05-24882 (E) 160305

Contents

		Paragraphs	*Page*
I.	Introduction	1	3
II.	Background	2–5	3
III.	Views on the international arrangement on forests	6–10	3
IV.	Recommendations to the United Nations Forum on Forests at its fifth session	11–17	4

I. Introduction

1. The fifth session of the United Nations Forum on Forests will address the effectiveness of the international arrangement on forests.

II. Background

2. The business and industry major focal group is represented by the International Council of Forest and Paper Associations.

3. The International Council of Forest and Paper Associations consists of trade associations in 39 countries representing industries accounting for 75 per cent of the world's paper production and more than 50 per cent of the world's wood production. The main goal of the Council is to serve as a forum for joint action in areas ranging from communications to data collection. The Council also deals with international matters and on developing and promoting common positions and represents the industry in multilateral organizations.

4. The common interests of business and industry regarding the activities of the Forum is the focus on the sustainable management of the world's forest resources and encouragement of the private sector, Governments and intergovernmental bodies to fulfil their appropriate roles to meet this important goal.

5. The present paper represents the views of the International Council of Forest and Paper Associations and is provided to the secretariat of the United Nations Forum on Forests for consideration by members of the Collaborative Partnership on Forests for the preparation of the reports of the Secretary-General and to other participants in the Forum as a discussion paper.

III. Views on the international arrangement on forests

6. The following views were presented at the Forum's country-led initiative on the international arrangement on forests, held from 25 to 28 January 2005, in Guadalajara, Mexico.

7. The forest and paper industries of the International Council of Forest and Paper Associations are striving for high sustainability standards around the world and continue to make major contributions to sustainable development, including through providing support for millions of jobs and thousands of communities and promoting increased use of renewable raw material, wider application of cleaner technologies, high energy efficiency and higher recycling rates.

8. There are a number of existing international arrangements that have succeeded in strengthening long-term political commitment to sustainable forest management and led to significant improvements in national forest policies, legislative frameworks and standards in line with the principles of sustainable forest management. However, while national Governments have developed coherent strategies, in many parts of the world such strategies are yet to be implemented. Time is of the essence and the focus must turn to action, not debate.

9. Within the International Council of Forest and Paper Associations, a year-long consultation process, which gathered the industry's expertise from around the globe,

from Brazil to Australia, from Finland to South Africa, was carried out in order to generate shared views on priorities for future work.

10. **At this stage, the International Council of Forest and Paper Associations neither supports nor opposes any specific type of international arrangement on forests.** Nevertheless, we acknowledge the ongoing deliberations of the Forum and, as such, have identified a series of elements that many in the industry consider to be essential components of any future international arrangement on forests.

IV. Recommendations to the United Nations Forum on Forests at its fifth session

11. **The International Council of Forest and Paper Associations recommends that the following key elements be addressed in any configuration of a future international arrangement on forests.**

A. Identification and establishment of basic principles and minimum requirements for sustainable forest management that are consistent with international processes

12. **Sustainable forest management must be the cornerstone for any future activity of Governments, industries, forest owners, local communities and civil society at large. Ongoing regional processes have made great strides in developing criteria and indicators that contribute to defining and assessing sustainable forest management. However, there is a need for the identification and adoption of a set of global criteria for sustainable forest management that is consistent with existing international and regional processes on criteria and indicators.**

B. Stronger coordination of forest policies

13. **Coordination of forest policies is needed to ensure some degree of consistency among the different international policies and programmes that directly or indirectly concern forests and the forests products sector. Improved coordination of policies and the development of a harmonized framework for national commitments towards achieving sustainable forest management, including international goals and targets and strong national reporting mechanisms on implementing sustainable forest management will help establish a level playing field for the forest products sector and will greatly assist public and political recognition of steps on the road to sustainable forest management.**

C. Greater recognition of sustainable forest management and forest products trade

14. **The validity of trade in sustainable forest products, both domestic and international, must be recognized. There have often been imbalances in current international arrangements with respect to consideration of the forest products trade. Commercial aspects of forest management, which are handled under**

numerous different initiatives with no common approach, can create conflict and confusion. Any future arrangement should not conflict with the obligations of the World Trade Organization but should rather assist it in building consensus on forest-related aspects of trade and environmental policies.

D. Broader recognition of the economic aspects of forests

15. Existing international conventions and arrangements generally do not address the economic function of forests. Forests are reservoirs of raw material that are used by the industry and contribute to human welfare. Their biomass is used to produce carbon-neutral energy. These products can be marketed and contribute to the overall wealth and to the economy of rural areas. International and national programmes that address the role of forests in meeting poverty reduction and development goals in a substantive way must be established.

E. Enforcement

16. Any future international arrangement for forests that might be possible must include mechanisms for the review of national commitments on sustainable forest management and national reporting on the implementation of those commitments by competent bodies on a scheduled basis. Any future arrangement should include an enforcement component based on the parties' implementation of their national commitments. If the competent bodies determine that a party has not taken remedial measures to align its practices with its commitments, the authorities should call the matter to the attention to the other parties, relevant bodies and the United Nations.

F. Expand non-governmental and private sector participation in the international arrangement on forests

17. Much of the future implementation of the agreements from the international arrangement on forests will depend on landowners, producers, non-governmental organizations and others in the private sector. Strengthening the partnerships between the major groups and Governments will be vitally important. Major groups, which represent a broad array of interests in the international arrangement on forests, must be provided with ongoing and substantive means to participate in the work of the international arrangement on forests. There should be opportunities for formal and informal interaction with governmental members of the international arrangement on forests.